

HOUSE BILL 91

By Hardaway

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 24; Title 8, Chapter 34; Title 8, Chapter 35; Title 8, Chapter 36; Title 8, Chapter 37; Title 8, Chapter 5 and Title 9, Chapter 4, relative to public investments in companies operating in Sudan.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-37-104, is amended by adding the following as a new appropriately designated subsection:

( )

(1) The treasurer shall divest any direct holdings of the Tennessee consolidated retirement system in companies that have substantial current operations in Sudan. Such companies shall be determined from the quarterly reports provided to the council on pensions and insurance pursuant to subsection (d). The divestment shall be completed within six (6) months of the effective date of this act for companies identified on the quarterly report described in subsection (d) for the quarter ending June 30, 2011. The divestment for any future company identified on a quarterly report provided pursuant to subsection (d) shall be completed within six (6) months after the company's most recent appearance on such quarterly report.

(2) If a company whose holdings were divested pursuant to this subsection thereafter ceases to have substantial operations in Sudan, the restriction on investing in direct holdings of such company shall cease to apply unless the company resumes substantial operations in Sudan. The

determination of whether a company has ceased substantial operations in Sudan shall be determined by the list obtained pursuant to subsection (d).

(3) For purposes of this subsection, "direct holdings" in a company means all securities of that company held directly by the Tennessee consolidated retirement system or in an account or fund in which the Tennessee consolidated retirement system owns all shares or interests.

(4) Notwithstanding any law to the contrary, no person or entity may bring any civil, criminal, or administrative action against the state of Tennessee, its officers, employees, or agents, or against the Tennessee consolidated retirement system, its officers, directors, board members, employees, or agents for any act done in good faith in accordance with this subsection.

(5) If a civil action or proceeding is nevertheless commenced by any person or entity against any official or employee of the state, or against any officers, directors, board members or employees of the Tennessee consolidated retirement system for any act done in good faith in accordance with this subsection, the state shall defend, indemnify and hold harmless such person from any costs, damages, awards, judgments or settlements arising from such claim, or proceeding.

SECTION 2. This act shall be subject to the funding being provided in the general appropriations act.

SECTION 3. This act shall take effect on July 1, 2011, the public welfare requiring it.